GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2322
ANSWERED ON:16.03.2017
Losses of DISCOMs
Jena Shri Rabindra Kumar

Will the Minister of POWER be pleased to state:

(a) the details of the amount of debt, profit/loss of DISCOMs for the last three years;

(b) whether State owned DISCOMs are continuously reporting a higher debt than Private Owned DISCOMs;

(c) if so, the details thereof and the justifications therefor;

(d) the extent to which UDAY scheme is effective in reducing the debt of DISCOMs; and

(e) the details of differences between UDAY and the Financial Restructuring Plan launched in 2011-12?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) to (c) : As per "Report on Performance of State Power Utilities" published by Power Finance Corporation (PFC) Ltd., the aggregate losses and total outstanding debt for utilities selling power directly to consumers including data available for private utilities such as BSES Rajdhani, BSES Yamuna and Tata Power (TPDDL) for the years 2012-13 to 2014-15 are as given below:

	2012-13	2013-14	2014-15
Profit/(Loss) on subsidy received basis (Rs. in crore)	(71,621)	(67,336)	(58,275)
Total Outstanding Debt (Rs. in crore)	3,04,228	3,65,013	4,06,825

The state-wise and utility-wise profit/loss details are given at Annexure-I and the state-wise and utility-wise outstanding debt details are given at Annexure-II.
.....2.

- 2 -

The financial position of Distribution Utilities depends on the subjective parameters of geographical spread, category break-up of their consumers and level of Distribution infrastructure, and thus a strict comparison on debt levels cannot be drawn.

(d) : Under Ujwal DISCOM Assurance Yojana (UDAY), States are to take over 75 per cent of debt of Power Distribution Companies (DISCOMs) as on 30.09.2015 which would be outside the Fiscal Responsibility & Budgetary Management (FRBM) Limits. As on 10.03.2017, Bonds worth Rs. 2,14,187.29 crore have been issued by the participating States under UDAY, at reduced rate of interest leading to savings in the interest burden.

(e) : The liabilities of State Power Distribution Utilities are the contingent liabilities of the States. Recognizing this, UDAY does not provide a direct financial support to the Utilities. However, the Financial Restructuring Plan (FRP) provided for financial support from the Government of India. UDAY also provides for the borrowings by the state in 2015-16 and 2016-17 to be outside FRBM Act, while there was no such provision under the FRP.

****